

Covered Electronic Waste Recycling Program

Stakeholder Workshop



Today's Agenda

- Welcome and Opening Remarks
- CalRecycle Update
- DTSC Update
- CRT Glass Management Challenges
- ²CEW Payment System Regulations

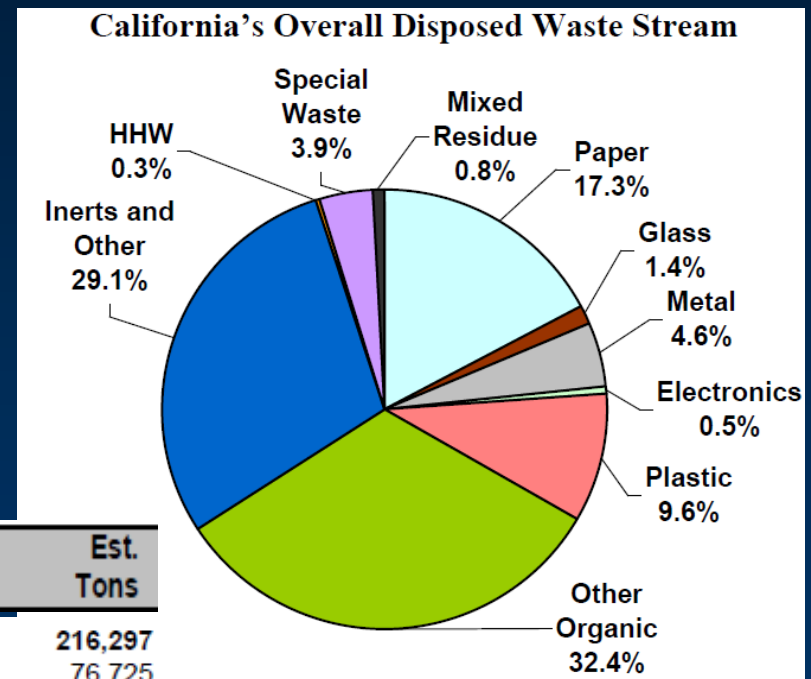
Legislative and Regulatory History

- **2001** – DTSC clarifies that CRT devices are hazardous when disposed
- **2002** – CA's universal waste rules adopted prohibiting disposal of electronics (household exception until 2006)
- **2003** – Electronic Waste Recycling Act (SB 20, Sher)
- **2004** – Cell Phone Recycling Act
- **2005** – Covered Electronic Waste (CEW) recycling program initiated

Electronic Waste: Why the Attention?

Fastest Growing Part of Waste Stream?!?!

CalRecycle's 2008 Data:



Material	Est. Percent	+ / -	Est. Tons
Electronics	0.5%		216,297
Brown Goods	0.2%	0.1%	76,725
Computer-related Electronics	0.1%	0.1%	32,932
Other Small Consumer Electronics	0.1%	0.0%	34,588
Video Display Devices	0.2%	0.1%	72,053

Electronic Waste: Why the Attention?

Toxic and Hazardous Materials

- Lead
- Mercury
- Cadmium
- Arsenic
- Chromium
- Copper
- Barium
- Halogenated Polymers
- ⁵ Brominated Flame Retardants



Electronic Waste: Why the Attention?

Uncontrolled Export



Electronic Waste: Why the Attention?

Wasted Resources



Electronic Waste: Why the Attention?

And of course, ***MONEY***

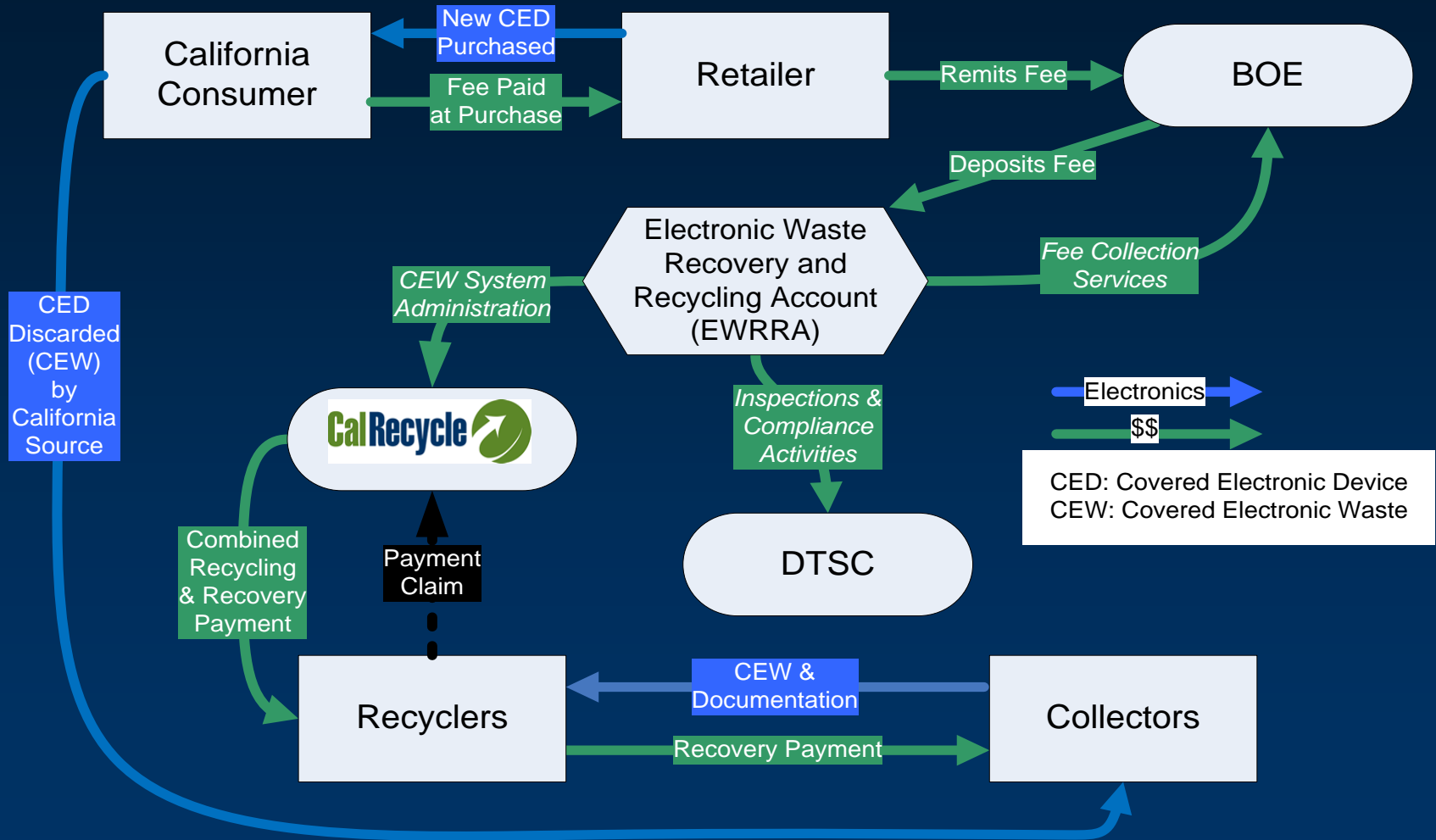
- There is a net cost to properly manage certain items such as CRT video displays
- Removing barriers to preferred behavior is the fundamental goal

Electronic Waste Recycling Act

Intent

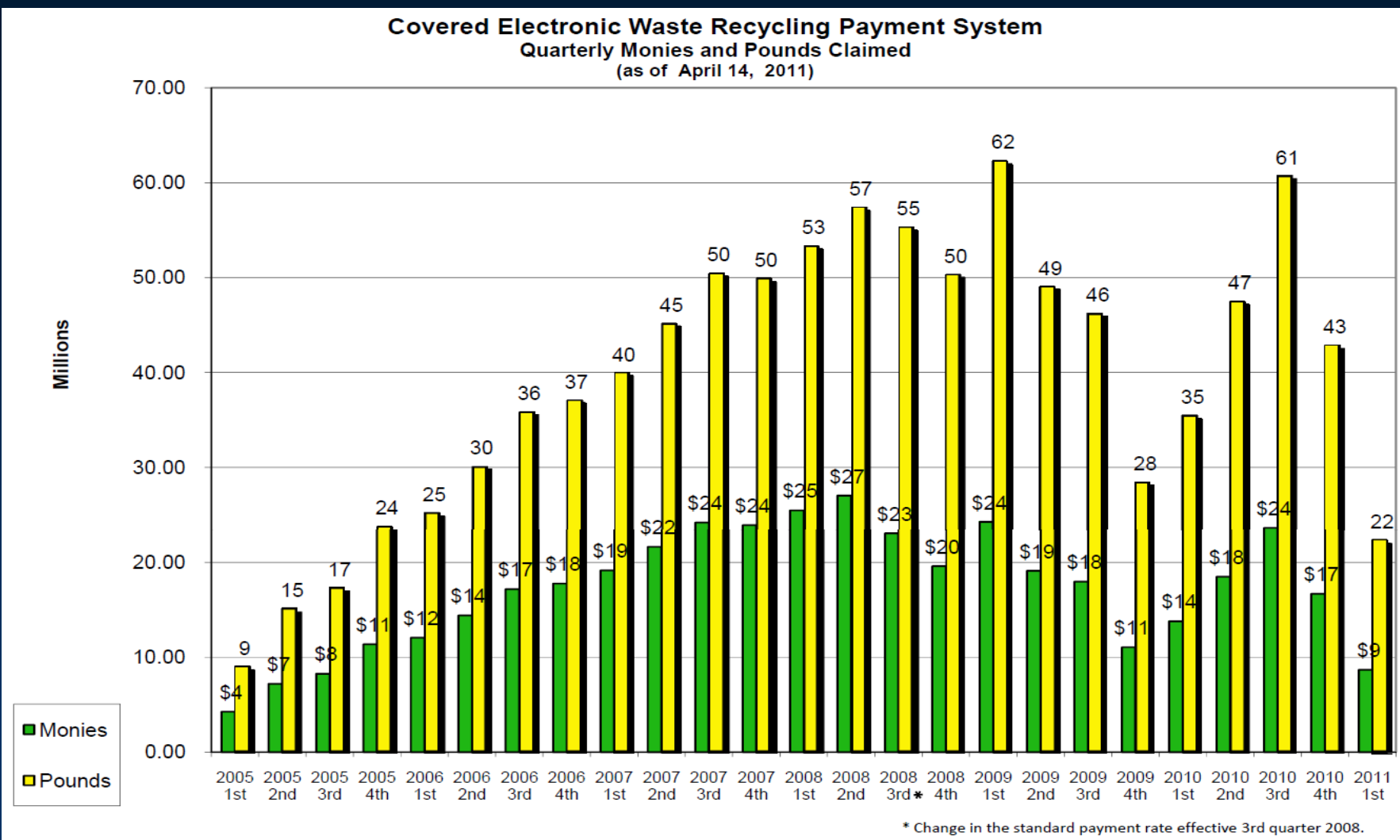
- Provide financial relief to local government
- Foster convenient recycling opportunities for consumers throughout the state
- Reduce illegal dumping
- Eliminate the consumer stockpile of waste monitors/TVs
- Decrease amount of hazardous materials in covered devices

Covered Electronic Waste (CEW) Recycling System



CEW Recycling System Quarterly Volumes

> 988 million pounds of CEW claimed since program inception



- Volume peak in 1st quarter 2009 likely due to digital broadcast transition
- CRT glass export market disruption occurred in 4th quarter 2009; industry still recovering...

Claim Approval Rates

Year	Claimed	Paid	Approval Rate
2005	\$ 30.9 million	\$ 29.2 million	94.5%
2006	\$ 60.7 million	\$ 59.8 million	98.4%
2007	\$ 88.4 million	\$ 86.7 million	98.1%
2008	\$ 96.4 million	\$ 90.5 million	93.9%
2009	\$ 71.9 million	\$ 63.5 million	88.4%
2010*	\$ 71.9 million	\$ 70.6 million	98.2%
2011*	\$ 2.6 million	\$ 2.5 million	98.0%

2010 Media Attention

Fraud Allegations

- Reports on the paucity of fraud prosecutions
- Speculation of fraud extent

Export Allegations

- Sources say ~ 200 million pounds unprocessed e-waste annually 2008 & 2009
- DTSC records show far less than 10 million pounds

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California's pioneering e-waste program a model gone wrong

By Tom Knudson
tknudson@sacbee.com [Share](#)

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Last Modified: Sunday, Aug. 8, 2010 - 11:32 am

It seemed a perfect symmetry: California, the world's high-tech capital, would lead the way in recycling the debris.

But five years after government-run e-waste stands out not as an example of innovation for which

2 arrested, third sought on California e-waste fraud charges

By Tom Knudson
tknudson@sacbee.com [Share](#)

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State officials have arrested two Bay Area men – and are seeking a third in China – on criminal charges of attempting to defraud the state of \$1 million in electronic waste recycling payments.

Electronic Waste Legislation

2011/12 California Legislative Session

- **AB 549 (Carter) -- Would clarify covered electronic waste eligibility and the State's authority to review payment claims.**
- **AB 794 (Wieckowski) -- Would also clarify covered electronic waste eligibility, State's authority to review payment claims; establish penalties for false documentation.**

Electronic Waste Legislation

2011/12 California Legislative Session

- **AB 583 (Knight) -- Transfers certain duties, powers, and authority of the DTSC under the Electronic Waste Recycling Act to CalRecycle.**
- **AB 960 (Lowenthal) -- Would revise requirements imposed on exportation of electronic waste and component parts.**

Official California Legislative Information website:

15 – <http://www.leginfo.ca.gov/>



Other Actions Over Past Year

- **Payment rates left unchanged**
- **Consumer fee levels reduced**
- **Net Cost Report online filing initiated**

Net Costs and Payment Rates

Comparison of Reported Costs

	2005	2006	2007 (all reports)	2008* (all reports)	2009 (refined)
Recovery	17.1	16.7	14.8	16.6	14.4
Recycling	25.2	21.5	21.0	22.8	18.7
Total	42.3	38.2	35.8	39.4	33.1

** DOF validation of 2008 reports rated lower than either 2007 or 2009.*

Net Costs and Payment Rates

- CalRecycle left rates unchanged
 - \$0.16/lb recovery
 - \$0.23/lb recycling
- Reconciling “average net costs” with intent of Act not a perfect fit
 - Rates based on averages do not cover all costs
 - By definition: some paid too little, some too much
 - Weighted averages reflect entire industry’s cost
 - Regulations allow for service charges

Electronic Waste Recycling Fee

CalRecycle can adjust fee annually

- Due to solvency concerns, CIWMB acted in **June 2008** to increase fee levels (effective January 1, 2009)
- Due to excess reserves, CalRecycle acted in **July 2010** to reduce fees to original levels (effective January 2011)
 - **\$6, \$8 or \$10**
- \$80 million “borrowed” for FY 10/11 budget fix

3065 Electronic Waste Recovery and Recycling Account, Integrated Waste**Management Fund ^s**

BEGINNING BALANCE	\$38,352	\$153,271	\$61,618
Prior year adjustments	1,102	-	-
Adjusted Beginning Balance	\$39,454	\$153,271	\$61,618
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	175,808	81,000	86,000
150300 Income From Surplus Money Investments	407	654	198
161000 Escheat of Unclaimed Checks & Warrants	3	-	-
Transfers and Other Adjustments:			
FO0387 From Integrated Waste Management Account, Integrated Waste Management	-	-	1,543
Fund loan per Item 3500-011-3065, Budget Act of 2010			
TO0001 To General Fund Loan per Item 3500-011-3065, Budget Act of 2010	-	-80,000	-
TO0387 To Integrated Waste Management Account, Integrated Waste Management Fund	-	-1,543	-
loan per Item 3500-011-3065, Budget Act of 2010			
Total Revenues, Transfers, and Other Adjustments	\$176,218	\$111	\$87,741
Total Resources	\$215,672	\$153,382	\$149,359
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	34	82	35
0860 State Board of Equalization (State Operations)	4,198	4,739	4,773
3500 Department of Resources Recycling and Recovery (State Operations)	54,659	84,577	84,779
3910 California Integrated Waste Management Board (State Operations)	1,102	-	-
3960 Department of Toxic Substances Control (State Operations)	2,408	2,294	2,676
8880 Financial Information System for California (State Operations)	-	72	392
Total Expenditures and Expenditure Adjustments	\$62,401	\$91,764	\$92,655
FUND BALANCE	\$153,271	\$61,618	\$56,704
Reserve for economic uncertainties	153,271	61,618	56,704

Net Cost Reporting

Reports were “due” March 1, 2011

- Online reporting new this year
 - Launch delayed for technical reasons
 - Patience and cooperation appreciated
 - 257 new “WebPass” accounts
 - 333 paper submittals
- Approximately 120 “no shows”

The CEWIS

Covered Electronic Waste Information System

Captures almost all data from program...

- Participants (applications, status, etc)
- DTSC Verifications and Findings
- Collector / Recycler Relationships & Performance
- Residual Disposition
- Claim Data
- Accounting / Payments
- Net Cost Information

Authorized User Only Home | Reports | Help | Sign Out

Home > Collectors > Collector Summary
Collector Summary: Santa Cruz County-CEWID:100946

Summary | Claims | Recyclers | Designations | Documents | Notes | Collector Notes

Applications | Net Cost | Participant | Address | Contact | Role

Participant Information			
701 Ocean St, Rm 410 Santa Cruz, CA 95060-4002 Map		Jeffrey Smedberg (831) 454-2373 x recycle@co.santa-cruz.ca.us	
Collector Role - Active No alert note.		1/1/2005 Organization Details (Internet)	
Collector Role - History			
ROLE	STATUS	STARTED	ENDED
Collector	Active	1/1/2005	
Page 1 of 1		Count: 1	
Application Information			
Last Approved On: 2/3/2011 First Approved On: 1/1/2005 Approval Type: Collector Waste Type: CRT UWED			
Accounting/Payee Information			
No payee address entered.		FEIN: No FEIN entered.	
Collection Volume			
REPORTING PERIOD	TRANSFERRED LBS	ELIGIBLE LBS	ELIGIBLE %
2010/11	51,910	51,910	100.000
2010/10	25,411	25,411	100.000
2010/09	56,124	56,124	100.000
2010/08	25,057	25,057	100.000
2010/07	37,861	37,861	100.000
2010/06	20,553	20,553	100.000
2010/05	33,436	33,436	100.000
2010/04	41,310	41,310	100.000
2010/03	41,419	41,419	100.000
2010/02	37,805	37,805	100.000
2010/01	46,034	46,034	100.000
2009/12	41,546	41,546	100.000

Net Cost Reporting

Department of Finance (DOF) Validation

- DOF auditors will again assess reports
- Time allows for additional scrutiny
- Goal is to improve quality of data

DTSC Issues

California Department of
Toxic Substances Control



- Covered Electronic Devices: What's New?
- Regulatory Clean-up
- Handler / Treatment Issues:
 - Un-notified Handler Destinations
 - Domestic CRT Glass Destinations
 - Export Reporting Requirements

Cathode Ray Tube (CRT) Glass

What are we going to do with all the glass?

(at what cost?)

Cathode Ray Tube (CRT) Glass

Cancelled CRT Devices = Bare Tubes

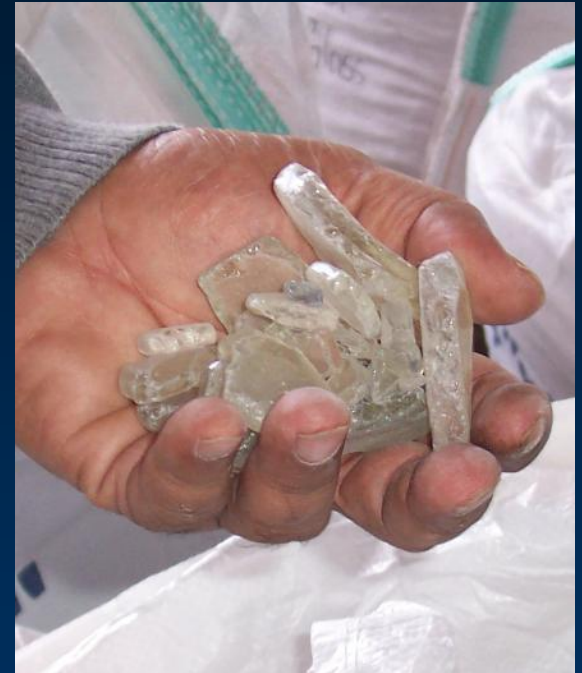
- CRT glass regulated as universal waste (*if managed correctly*)
- Additional authorization necessary to “treat” glass
- Glass must be “shipped” before payment claim



Cathode Ray Tube (CRT) Glass

Glass Markets

- **New in-state processing technologies installed**
- **Future of CRTs limited**
- **Concerns about fate of glass exported / in storage**



Cathode Ray Tube (CRT) Glass

CEW Payment System Requirements

- **14 CCR 18660.22(c)(1)** Ship all the (*CRT glass*) derived from the cancelled CEWs to an end-use destination authorized to receive and further treat the (*CRT glass*)...
- **14 CCR 18660.23(g)(4)(C)** For all shipments of (*CRT glass*), a discussion of the ultimate disposition of the material shipped demonstrating that the disposition is not disposal to land, water or air...

Cathode Ray Tube (CRT) Glass

Universal Waste Rules

- **22 CCR 66273.75(c)(2)** A universal waste handler whose treatment of electronic devices and/or CRTs generates CRT glass as defined in section 66273.9 shall ensure that all CRT glass-residuals are sent to a CRT glass manufacturer or to a primary or secondary lead smelter and recycled...

Cathode Ray Tube (CRT) Glass

What are we going to do with all the glass?

(at what cost?)

Covered Electronic Waste (CEW) Payment System Rules

Time for changes?

- Section 100
- Definitions
- Applicability / Limitations
- Designations
- Electronic Recordkeeping
- Transfer Reports
- Non-CRT CEW Documentation
- ????

Questions / Comments?

Open Forum

Thank you for attending...

Electronic Waste Recycling Program

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www.calrecycle.ca.gov